3 April 1985 OLL: 85-0826

MEMORANDUM FOR: Executive Director

Director, Office of Legislative Liaison VIA:

Deputy Director, Office of Legislative Liaison FROM:

Retirement Issues SUBJECT:

- 1. The recent OMB signal encouraging the "expansion" of CIARDS to cover all Agency employees raises a series of concerns about what the Agency might wish to do, and what legislative actions will be required to achieve our goals. The following comments are intended to provoke further thinking, discussion, and decision on these matters.
- Expanding CIARDS poses several issues. Do we wish to have two divisions within CIARDS with perhaps different qualifications and different age standards and benefits? our intention that personnel currently in the Civil Service System will automatically be transferred into CIARDS, or will they have a choice of staying in the Civil Service System? Do we intend that a new and expanded CIARDS system will apply to all new employees who have been employed since 1 January 1984? If so, do we intend to attempt to remove them legislatively from Social Security coverage which they are now under, or are we going to seek some way to prevent them from having to put fifteen or more percent of their salaries toward retirement?
- 3. Assuming a positive answer to three of the above questions -- we will seek an expanded CIARDS to cover all employees; it will apply to new employees as well as old; and we will seek to terminate Social Security coverage for new employees--two legislative fixes are required. We need to amend CIARDS, and we need to amend the bill Congress passed in 1983 which put new Federal employees under Social Security beginning 1 January 1984.
- Changing CIARDS would appear to be the easier of the two Jurisdiction over CIARDS is with the Intelligence Committees although we can expect other committees may attempt to get in on the act. If we can convince HPSCI and SSCI of our case, we should succeed.

- 5. Changing the Social Security coverage will pose a real problem. Government unions would all like to abolish this law in order to assure continuation of the present Civil Service System. And jurisdiction on this will not be principally with our Committees.
- 6. I do not believe we can change the Social Security law without strong support from the Administration, the Intelligence and Appropriations Committees, and no serious opposition from other Federal agencies or the labor unions. This is almost too much to hope for.

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cc: DDA D/OP

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